



Caterpillar Inc.

Engine Division
P.O. Box 600
Mossville, IL 61552-0600

June 11, 1999

All Caterpillar Dealers and Full Service Truck Dealers:

As required by the United States Environmental Protection Agency, Caterpillar is notifying all their Dealers and Authorized Full Service Truck Dealers on the approaching introduction of a Low NOx Rebuild Kit program.

Enclosed with this mailing is a copy of the U.S. EPA's letter to all Heavy Duty Engine Rebuilders, outlining the obligations in respect to installing the Low NOx Rebuild Kits. The letter contains criteria for which engines will require kits, penalties for failure to comply with the program and how to obtain additional information pertaining to the program.

A Caterpillar Low NOx Rebuild Kit Installation Service letter will be released a minimum of 30 days prior to the availability of the first Caterpillar Kits. It will contain information on the installation procedure and administration of the program. A clear description of the actions necessary in the rebuild and an identification of the components that are affected by the Caterpillar Low NOx Rebuild program will be provided. The Caterpillar Service letter will indicate the date that kits will be available and required for designated engine model years and families. The Caterpillar Service letter will detail the allocated time to perform the labor and the procedure which non-authorized engine rebuilders must follow to obtain the appropriate Low NOx Rebuild Kit.

The EPA will be sending the enclosed letter to all non-authorized shops. To insure the letter is sent to the non-authorized shops in your particular area, Caterpillar is requesting its dealers to submit a list of the non-authorized shops within your area that do overhauls and could be requesting Low NOx Rebuild Kits. This list should be sent to:

*Dan Learned
Caterpillar Inc.
MOS-25
P.O.Box 610
Mossville, Il. 61552*

The EPA letter states that once available, a Low NOx Rebuild Kit must be used whenever one of the applicable engines is rebuilt. To assure full compliance with the Consent Decree, the definition of rebuilt for Caterpillar will be the repair of four or more cylinders even though the EPA letter would allow the repair of five cylinders at lower mileage. As the EPA letter states, "Failure to install a Low NOx Rebuild kit as required or removal of a Low NOx Rebuild kit once installed may constitute tampering under Section 203(a)(3)

of the Clean Air Act". Caterpillar will comply fully with the Consent Decree. The Low NOx Rebuild Kit regulations detailed in the EPA's notification letter call out the requirements for our dealers and authorized Full Service Truck dealers. Please assure that your organization is fully aware of the requirements in the enclosed EPA letter.

Signed:



Dave Semlow
Marketing Manager
Caterpillar Inc.
MOS-25
P.O.Box 610
Mossville, IL. 61552